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The Effect Of The Use Of Information Technology, Human Resources (Hr) And Internal Control Systems On The Quality Of Regional Financial Reports (Special Study On The Regional Apparatus Of Pamekasan Regency)

Liahmad[1], Retna Safriliana[2], Harmono[3]

[1,2,3]Accounting Science, Faculty of Economics and Business, Universitas Merdeka Malang

Corresponding Author : 25079000004@student.unmer.ac.id, retna.safriliana@unmer.ac.id, harmono@unmer.ac.id

Abstract

The quality of financial reports is said to be good if the information presented in the report is understandable and meets the needs of its users in decision-making, does not provide a deviant understanding, and also material errors, but presents reliable financial reports, so that from previous periods the financial reports can be compared clearly and accurately. The purpose of this study was to examine the influence of variables of information technology utilization, human resources and internal control systems on the quality of regional financial reports. The population in this study was 9,394 government officials in 24 OPDs (Regional Apparatus Organizations) of Sumenep Regency. The sampling technique used a purposive sampling technique, so that a

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sample of 72 respondents was obtained, who were given a questionnaire to fill out. The data analysis technique used multiple linear regression analysis. The results of this study prove that partially the use of information technology and internal control systems have a significant effect on the quality of regional financial reports. Meanwhile, human resources have no effect on the quality of regional financial reports. The results of the simultaneous analysis show that the use of information technology, human resources and internal control systems have a significant effect on the quality of regional financial reports.

Keywords: Utilization of Information Technology, Human Resources, Internal Control System, Quality of Regional Financial Reports, Regional Device Organization.

INTRODUCTION

The quality of financial reports is said to be good if the information presented in the report can be understood and meets the needs of its users in decision making, does not provide a deviant understanding, and also material errors, but presents reliable financial reports, so that from previous periods the financial reports can be compared clearly and accurately. The quality of financial reports usually depends on how much information is presented by the agency or company, so that it can be useful for all users and also how to prepare financial reports based on a conceptual framework and basic principles that are in accordance with accounting objectives.

One concrete manifestation of the implementation of transparency and accountability is through the preparation of relevant and reliable government financial reports, which are prepared based on Government Accounting Standards (SAP) and an accounting system that provides transaction processing procedures to become financial reports. One of the concerns for the government, especially at the district level, is the

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finances of Regional Apparatus Organizations (OPD) through Government Regulation Number 71 of 2010 concerning Government Accounting Standards (SAP) and Based on Decree Number 185 of 2012 concerning the roadmap for bureaucratic reform. In Government Regulation Number 71 of 2010 concerning Government Accounting Standards, it is explained that government financial reports can be said to be of quality if the report is relevant, reliable, understandable, and comparable.

In regional financial management, local governments are expected to provide timely, relevant, accurate, and complete information on the Regional Revenue and Expenditure Budget (APBD) and accounting information that public managers will use to carry out organizational planning and control functions. With the current development of technology, especially information technology, we need to note that information technology can also be used to complete financial reports on time.

According to Kusuma (2021), the use of information technology will facilitate the creation and preparation of high-quality financial reports and will open up opportunities for various parties to access and manage regional financial information quickly and accurately. Technology is seen as a tool used by individuals to complete tasks and streamline inventory management within government.

According to Trisnawati (2018), financial reports produced by local governments are better if human resource management is also good. According to Ramadhani et al. (2018), the preparation of quality financial reports requires competent human resources (HR) who understand the rules for preparing financial reports according to government accounting standards. Completing a job efficiently and on time also requires competent HR in the work. The presence of competent HR is one of the important requirements that must be met to produce quality financial reports. This shows that the better the capacity of human resources, the better the quality of financial report information. Assessing the capacity of human resources in carrying out a function, including accounting, can be seen from the level of responsibility of those resources.

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Objective

Based on the background described above, several problem formulations can be formulated as follows:

1. Does the use of information technology affect the quality of regional financial reports?
2. Do human resources (HR) influence the quality of regional financial reports?
3. Does the internal control system affect the quality of regional financial reports?
4. Does the use of information technology, human resources (HR) and internal control systems have a simultaneous effect on the quality of regional financial reports?

DISCUSSION

The results of this study were obtained by distributing questionnaires to respondents by directly visiting each sample of 9,394 government agencies within 24 Regional Apparatus Organizations (OPDs). A total of 72 questionnaires were distributed, with three questionnaires distributed to each Regional Apparatus Organization (OPD). The distribution of the distributed questionnaires can be seen in Table 1 below.

Table 1. Questionnaire Collection Results

No	Information	amount
1.	Total number of questionnaires distributed	72
2.	Total questionnaires returned	72
3.	Total number of unreturned questionnaires	0
4.	Questionnaires that cannot be analyzed	0
5.	Total questionnaire	72

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Based on Table 1 above, 72 questionnaires were returned and analyzed. Before discussing respondents' responses regarding the Impact of Information Technology Utilization, Human Resources, and Internal Control Systems on the Quality of Regional Financial Reports, we will first discuss the characteristics of the respondents, including age, gender, education level, field of expertise, and length of service.

Table 2. t-Test Results

Coefficients [a]								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
	(Constant)	8,159	2,840		2,873	.005		
	Utilization of Information Technology	.553	.090	.649	6.126	.000	.352	2,843
	Human Resources	.000	.080	.000	-.001	.999	.963	1,039
	Internal Control System	.188	.082	.242	2,304	.024	.357	2,801
a. Dependent Variable: Quality of Regional Financial Reports								

The Influence of Information Technology Utilization on the Quality of Regional Financial Reports. The utilization of information technology can improve the quality of

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financial reports of Regional Apparatus Organizations (OPD) of Pamekasan Regency. This is because the role of information technology in improving the quality of regional government financial reports in regional apparatus organizations of Sumenep Regency is very much needed and the better the utilization of information technology, the better the quality of the financial reports produced. Therefore, it can be interpreted that the realization of the quality of regional financial reports depends on the progress of the technology used.

The Influence of Human Resources on the Quality of Regional Financial Reports.

Human resources are not a factor that can affect the quality of the financial reports of the Regional Apparatus Organization (OPD) of Sumenep Regency. This is because the employees who manage or manage financial reports are given training on procedures for managing financial reports that are in accordance with government accounting standards (SAP) before managing financial reports and also competent or incompetent employees do not affect the quality of financial reports because the standards made for the quality of financial reports by the government are in accordance with government accounting standards and have used the same software and the minimum number of employees who have an accounting educational background. Thus, it can be interpreted that competent and incompetent employees are considered or already have the same human resource competencies in managing financial reports, so they do not affect the quality of financial reports.

The Influence of Internal Control Systems on the Quality of Regional Financial Reports.

The internal control system influences the quality of regional financial reports. This means that the quality of financial reports will be good if internal controls are also in place. Detecting inaccuracies or fraud in the accounting process can be done through

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internal controls to promote efficiency and compliance with the law. An internal control system is also expected to be able to more easily detect errors in data deviations that can lead to individual or collective losses, ultimately impacting the quality of regional financial reports. Therefore, the internal control system influences the quality of regional financial reports.

Table 3. Results Of The F-Test

ANOVA [a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	806,892	3	268,964	61,662	.000 [b]
	Residual	296,608	68	4,362		
	Total	1103,500	71			

a. Dependent Variable: Quality of Regional Financial Reports

b. Predictors: (Constant), Internal Control System, Human Resources, Utilization of Information Technology

Based on the results of the F significance test in table 3. above, a significance value of 0.000 < 0.05 was obtained. Thus, it can be concluded that the variables of Information Technology Utilization (X1), Human Resources (X2) and Internal Control System (X3) simultaneously have a significant effect on the Quality of Regional Financial Reports (Y). Persuasive skills, planning skills, strategy development skills, and collaboration skills.

Table 4. R Test Results

Model Summary [b]

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	.855 [a]	.731	.719	2.08851

a. Predictors: (Constant), Internal Control System, Human Resources, Utilization of Information Technology

b. Dependent Variable: Quality of Regional Financial Reports

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The Influence of the Utilization of Information Technology, Human Resources and Internal Control Systems on the Quality of Regional Financial Reports.

Based on the test results in table 4, it is known that the adjusted R square is 0.719 or shows a percentage of 71.9%, the use of information technology, human resources and internal control systems has a percentage of 71.9% on the quality of regional financial reports, while the remaining 28.1% is influenced by other variables that are not included in the model or regression equation, for example, the regional financial accounting system, understanding of accrual-based accounting, accountability and timeliness of reporting.

CONCLUSION

This study aims to test the influence of independent variables consisting of the Utilization of Information Technology (X1), Human Resources (X2) and Internal Control Systems (X3) on the dependent variable, namely the Quality of Regional Financial Reports (Y), both individually (partially) and together (simultaneously). Based on the research results and discussions described above, the following conclusions can be drawn:

The use of information technology (X1) has a positive effect on the quality of regional financial reports, as evidenced by a significance value of 0.000 < 0.05. This indicates that H1 is accepted. This proves that the use of information technology can improve the quality of financial reports of Regional Apparatus Organizations (OPD) in Pamekasan Regency.

Human Resources (X2) does not affect the quality of regional financial reports, this is proven by the significance result of 0.999 > 0.05. This indicates that H2 is rejected. This indicates that human resources are not one of the factors that can affect the quality of the financial reports of the Regional Apparatus Organization (OPD) of Sumenep Regency. This is because competent or incompetent employees do not affect the quality

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of financial reports because the standards made for the quality of financial reports by the government are in accordance with government accounting standards and have used the same software and the minimum number of employees who have an accounting educational background.

The internal control system (X3) has a positive effect on the quality of regional financial reports, as evidenced by the significance result of 0.024 <0.05. This indicates that H3 is accepted. This proves that the internal control system can improve the quality of the financial reports of the Regional Apparatus Organization (OPD) of Sumenep Regency. This is because the role of the internal control system in improving the quality of regional government financial reports in the regional apparatus organization of Sumenep Regency is very much needed and the better the internal control system, the better the quality of the financial reports produced.

The simultaneous influence of the independent variables, namely the use of information technology, human resources, and internal control systems, significantly influences the dependent variable, namely the quality of regional financial reports. This indicates that H4 is accepted. This proves that the higher the use of information technology, the more human resource performance and internal control systems will improve the quality of regional financial reports.

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